

Exhibit 5

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<https://www.wsj.com/articles/crypto-companies-behind-tether-used-falsified-documents-and-shell-companies-to-get-bank-accounts-f798b0a5>

◆ WSJ NEWS EXCLUSIVE

Crypto Companies Behind Tether Used Falsified Documents and Shell Companies to Get Bank Accounts

Tether Holdings and related crypto broker obscured identities, documents show

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In late 2018, the companies behind the most widely traded cryptocurrency were struggling to maintain their access to the global banking system. Some of their backers turned to shadowy intermediaries, falsified documents and shell companies to get back in, documents show.

One of those intermediaries, a major tether trader in China, was trying to “circumvent the banking system by providing fake sales invoices and contracts for each deposit and withdrawal,” Stephen Moore, one of the owners of Tether Holdings Ltd., said in an email viewed by The Wall Street Journal.

Mr. Moore said it was too risky to continue using the fake sales invoices and contracts, which he had signed, and recommended they abandon the efforts to open the accounts, the emails show. “I would not want to argue any of the above in a potential fraud/money laundering case,” he wrote.

Tether runs tether, the \$71 billion stablecoin that is the most widely traded cryptocurrency, and a sister company runs Bitfinex, one of the world’s largest crypto exchanges. Losing access to the banking system was “an existential threat” to their business, the companies said in a lawsuit.

A cache of emails and documents reviewed by the Journal show a long-running effort to stay connected to the financial system. The companies often hid their identities behind other businesses or individuals. Using third parties occasionally caused problems, including hundreds of millions of dollars of seized assets and connections to a designated terrorist organization.

Tether didn't comment on its efforts to open bank accounts. Mr. Moore didn't reply to requests for comment.

Tether has been under investigation by the U.S. Justice Department, according to a person familiar with the matter. The investigation has been overseen by the Manhattan U.S. attorney's office.

Last week that office charged Sam Bankman-Fried, the former chief executive officer of bankrupt cryptocurrency exchange FTX, with conspiracy to commit bank fraud for opening a U.S. bank account in the name of a seemingly unrelated business, in addition to 11 other counts. Mr. Bankman-Fried has pleaded not guilty to earlier charges against him and denied committing fraud.



The Justice Department has stepped up its investigations into cryptocurrency markets.

PHOTO: TING SHEN/BLOOMBERG NEWS

The U.S. Attorney's office declined to comment. Tether said last year it routinely had open dialogue with law enforcement agencies and that the Justice Department didn't appear to be actively investigating Tether.

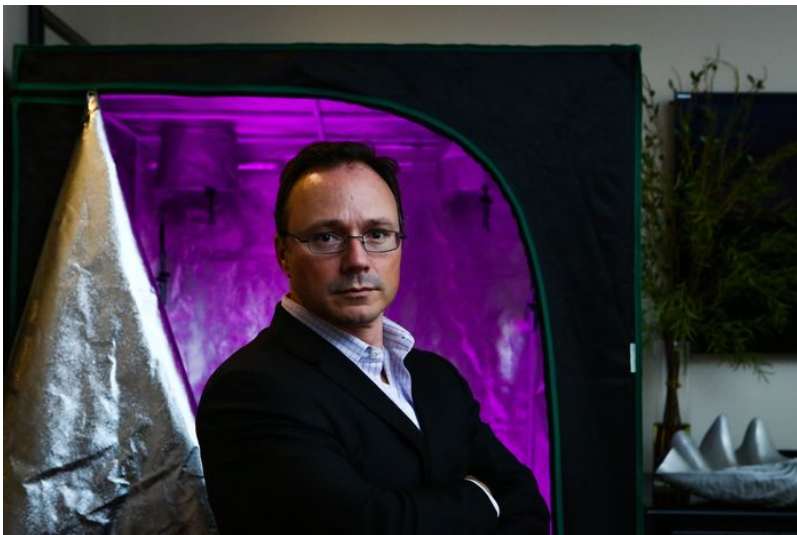
It couldn't be determined if the investigators are looking at Tether's efforts to open bank accounts around 2018. The investigation into Tether was previously reported by Bloomberg News.

Access to the banking system is especially important to tether. Unlike many volatile cryptocurrencies, tether's value is pegged to the U.S. dollar. For many investors tether plays the role of a money-market account at a brokerage.

That role makes tether an important entry and exit point for crypto investing and a crucial source of liquidity in the crypto economy. The cryptocurrency trades more than bitcoin and ether combined on most days, according to CoinMarketCap.

Tether's efforts to keep bank access grew urgent in March 2017, when Wells Fargo & Co. stopped processing transactions from several Taiwanese accounts that Tether was using.

The move triggered "an existential threat to their business," according to a lawsuit filed by Tether and its sister companies against the bank. The suit was soon withdrawn.



Phil Potter was chief strategy officer at Tether, which runs a stablecoin that is the most widely traded cryptocurrency. PHOTO: CHRISTOPHER GOODNEY/BLOOMBERG NEWS

Phil Potter, Tether's now-former chief strategy officer, sought to calm anxious users on a conference call a few weeks later, saying Tether and Bitfinex had always found a solution. "There's been lots of sort of cat-and-mouse tricks that everyone in the industry has to avail themselves of," Mr. Potter said on a recording of the call.

The companies opened new accounts by using established business executives and tweaking company names, according to the documents. In Taiwan, the accounts were held in trust by Chrise Lee, an executive of Hylab Technology Ltd., which makes television set-top boxes. But the accounts were opened under the name Hylab Holdings Ltd., documents show. Mr. Lee didn't reply to a request for comment.

Another account on a list of several created for use by Tether and Bitfinex was opened in Turkey in the name of a company called Deniz Royal Dis Ticaret Limited Sirketi, according to one of the documents. That account was allegedly used to launder money raised by Hamas's armed Izz ad-Din al-Qassam Brigades, according to an affidavit filed by the Justice

Department. The al-Qassam Brigades is designated a terrorist organization by the U.S. government.

The account was cited in 2020 when the Justice Department disrupted a terror financing operation that the al-Qassam Brigades used to accept cryptocurrency donations and convert them into fiat currency. The operation allegedly used a black-market money transmitting business that used an account at Bitfinex and carried out more than \$80 million in transactions with the Deniz Royal account, according to court documents and people familiar with the matter.



Signature Bank had made a push into the crypto market but has since retreated.

PHOTO: MARISSA ALPER FOR THE WALL STREET JOURNAL

U.S. authorities seized more than \$1 million allegedly tied to the al-Qassam Brigades, with most coming from the money transmitting business that transacted with Deniz Royal, according to blockchain analytics firm Chainalysis. The case is currently proceeding under seal.

Bitfinex also moved more than \$1 billion into a Panama-based payment processor called Crypto Capital Corp., despite the lack of a written agreement between the companies, court records show. Crypto Capital is now defunct.

Crypto Capital typically used shell companies to open networks of bank accounts that worked as an unlicensed money transmitting business for crypto companies. Federal court documents show that banks in the U.S. were told the accounts would be used primarily for real-estate transactions.

By October 2018, the Crypto Capital plan was backfiring. Around \$850 million of the companies' funds were seized by authorities in the U.S. and Europe as a result of criminal investigations into bank fraud and alleged money laundering. Customers had trouble withdrawing funds, tether lost its peg to the U.S. dollar and Bitfinex borrowed from Tether to cover the hole in its balance sheet.

The following year, Bitfinex said it was defrauded by Crypto Capital and is still fighting the seizures.

Ultimately, the companies were able to open at least nine new bank accounts for shell companies in Asia over nine days in October 2018, according to the documents. That month, Bitfinex announced to customers it had a new "distributed banking solution" to take in traditional currencies.

In communications with customers, the companies took steps to urge them to keep the details of new banking arrangements to themselves. "Divulging this information could damage not just yourself and Bitfinex, but the entire digital token ecosystem," a client page on the Bitfinex website read.

Tether and Bitfinex executives also tried to expand their bank access with an account at New York's Signature Bank, which had made a push into crypto. Signature had closed two accounts tied to the companies earlier that year, according to the documents, and rejected another attempt by Bitfinex that fall, according to a person familiar with the matter.

Signature bankers were then introduced to a company called AML Global, an aviation fuel broker that was looking to open an account.

The account would be controlled by Christopher Harborne, according to the application, which said it would be used to trade cryptocurrency primarily on a well-known exchange called Kraken for the purposes of hedging currency exposure. Mr. Harborne is a major backer of Brexit and the U.K.'s Conservative Party and owns AML Global.

The application didn't say that Mr. Harborne owned roughly 12% of both Tether and Bitfinex under another name, Chakrit Sakunkrit. The Sakunkrit name had earlier been added to a list of names the bank felt were trying to evade anti-money-laundering controls when the companies' earlier accounts were closed, but Mr. Harborne's hadn't.

Compliance executives questioned why an account that was supposed to be trading on Kraken was getting huge inflows from what appeared to them as Bitfinex. "Bitfinex was not

mentioned anywhere in the paperwork that was provided,” one Signature executive wrote, according to the documents. “If they are buying/selling with Kraken, why is the money only coming in from Bitfinex?”

The account for AML was provisionally opened but soon closed after the bank realized the account was connected to Bitfinex, according to people familiar with the matter. Mr. Harborne didn’t reply to a request for comment.

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